null Carol X Weakley 10/17/2006 02:43:09 PM From DB/Inbox: Carol X Weakley

Cable Text:

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E.O. 12958: N/A TAGS: <u>IS KMDR</u>

SUBJECT: ISRAEL MEDIA REACTION

SUBJECTS COVERED IN THIS REPORT:

¶1. Mideast

12. Iraq

Key stories in the media:

All media reported that in a speech at the opening of the Knesset's winter session, PM Ehud Olmert said that the "Lebanon campaign" underlined the threat a nuclear Iran would pose for the "region and the entire free world." Olmert invited Lebanese PM Found Siniora to begin peace talks. Siniora rebuffed the offer. Ha'aretz quoted Siniora as saying that Israel should first withdraw from the Sheba Farms. The media also reported that Olmert offered to resume talks with PA Chairman [President] Mahmoud Abbas, based on the Roadmap. Ha'aretz and The Jerusalem Post reported that Abbas did not get a green light from the Fatah leadership to fire the Hamas-led government and call new elections or form a cabinet of technocrats. Israel Radio cited the London-based Ash-Sharq Al-Awsat as saying that Egypt's intelligence chief Omar Suleiman told Khaled Mashal, the head of Hamas's political bureau, that Hamas should give up power in the PA and supervise it from outside. Ha'aretz reported that a group of Labor and Meretz Knesset members met in East Jerusalem Friday with Yasser Abed Rabbo, a close associate of Abbas. Ha'aretz said that the Knesset members decided to establish a multi-party parliamentary lobby for renewing diplomatic talks between Israel and the Palestinians.

Ha'aretz reported that the Jerusalem District Prosecutor's Office has begun formulating the indictment that will be submitted against Israeli President Moshe Katsav. Leading media speculated on Katsav's succession. Leading media reported that former Knesset Speaker MK Reuven ("Rubi") Rivlin, Chief Rabbi of Tel Aviv and former Ashkenazi Chief Rabbi Yisrael Meir Lau, Labor MK Colette Avital, Likud MK Natan Sharansky, and Vice PM Shimon Peres are the leading candidates for the position. The Jerusalem Post quoted political sources as saying that Olmert's preferred candidate to succeed President Katsav, Herzliya Interdisciplinary Center President Amnon Rubinstein, has decided to turn down an offer from Olmert to run on the presidential ticket.

Israel Radio reported that an Islamic Jihad activist was killed in a clash with IDF troops in Qabatiyeh south of Jenin. The radio mentioned further fighting in the territories.

Maariv reported that Syria is dispensing money to various groups of Druze in the Golan Heights to strengthen its influence in the occupied territory. Maariv said that this is part of a broader plan to deepen the Syrian administration's connection with the Golan Druze. The newspaper wrote that the man in charge of Syria's program for the "annexation from afar" of the Golan is Madhat Salah, who speaks Hebrew and is considered in charge of Golan affairs in the Syrian government.

Yediot reported that Israel has rejected a proposal by the US and European states to provide intelligence from their spy satellites in exchange for the cessation of Israeli overflights in Lebanon. Ha'aretz and Maariv reported that Defense Minister Amir Peretz told the Knesset's Foreign Affairs and Defense Committee Monday that the commanders of the French contingent in UNIFIL (UN Interim Force in Lebanon) have warned that if Israeli warplanes continue their overflights in Lebanon, they may have to open fire on them. Ha'aretz said that Peretz told members of the committee that despite the warnings, Israel would continue to patrol the skies over Lebanon

as long as UN Security Council Resolution 1701 remained unfulfilled, adding that such operations were critical for the country's security, especially as the abducted IDF soldiers remain in Hizbullah custody and the transfer of arms continues. Over the past few days, Peretz said, Israel had gathered clear evidence that Syria was transferring arms and ammunition to Lebanon, meaning that the embargo imposed by UN Resolution 1701 was not being completely enforced. Peretz was quoted as saying that Israel plans to inform the joint committee of representatives of UNIFIL, the IDF, and the Lebanese Army that unless the arms transfers are stopped, Israel will be forced to take independent action. Turning to the situation in the Gaza Strip, Peretz said that Israel could under no circumstances allow the Strip to be turned into a second South Lebanon. According to Peretz, the time when Israel used to check who was sending every missile is over, and the IDF is intent on striking at every terrorist no matter what organization he belongs to. Maariv quoted Abu Obeydeh, the head of Hamas's military wing, as saying that should the IDF invade the Strip, Hamas would destroy its tanks. Hatzofe quoted Brig. Gen. Yossi Baidatz, the head of IDF Intelligence's research department, as saying before the Knesset's Foreign Affairs and Defense Committee that Hamas is building a fortified underground system in the Strip.

Ha'aretz reported that Israeli authorities are refusing entry to Palestinian-Americans arriving in buses from Jordan at the Allenby Bridge border crossing. The newspaper quoted State Department Spokesman Sean McCormack as saying during his daily briefing on October 12 that Secretary of State Condoleezza Rice will discuss with Israeli officials the issue of entry to Israel of Americans of Palestinian origin.

Ha'aretz and Yediot reported that Russia has told Israel that it intends to tighten its export control on arms. The media reported that Olmert will start a two-day official visit to Moscow today. The talks will focus on Russia's nuclear cooperation with Iran and the UN Security Council's difficulties in imposing sanctions on Tehran.

Yediot and Israel Radio reported that Israel and NATO are increasing their cooperation. Israel will help NATO to carry out naval patrols in the Mediterranean Sea in accordance with an agreement that both parties signed Monday. Israel is the first country that has signed such an agreement with the organization. Connections between NATO and Israel were strengthened following the visit of the organization's director, Jaap de Hoop Scheffer, to Israel and the visit of a delegation of Knesset members to NATO's headquarters in Brussels.

Yediot reported that Hizbullah has started a web site in substandard Hebrew.

Major media reported that on Monday, Supreme Court President Dorit Beinisch decided that an extended panel of the High Court of Justice will rule whether to accept petitions calling for the cancellation of the Winograd Committee and the establishment of a state commission of inquiry into the war in Lebanon. Leading media reported that the team investigating the attack on the Israeli naval vessel during the war in the North has lambasted the performance both of the ship's commanders and the heads of the Israel Navy.

Yediot and The Jerusalem Post reported that the heads of the Immigrant Absorption Ministry will travel this week to the US and Canada to attend conferences with "thousands" of expatriate Israelis in order to convince them to return to Israel. The Jerusalem Post stressed the share of Israelis from the former Soviet Union in that population.

All major media reported that on Monday the Knesset marked the 20th anniversary of MIA navigator Ron Arad's disappearance in southern Lebanon.

The Jerusalem Post cited a recommendation to investors by the US financial powerhouse Merrill Lynch Monday that they "park their money in Israel by year-end to protect themselves from what is expected to be another round of emerging-market volatility. Major media reported that Foreign Direct Investment (FDI) to Israel reached an all-time high in 2005, hitting USD 5.6 billion. Such was reported by the annual World Investment Report published by the UN Conference on Trade and Development (UNCTAD). Israel, according to

the report, ranks 23rd in terms of attractiveness for foreign investors, but is only in the 63rd slot when it comes to realizing this potential. The report also shows that FDI in the financial sector amounts to 26 percent of all capital in the Israeli market. This is up from 20 percent in 2003.

Ha'aretz quoted conservative Israeli-American Professor Israel Aumann, who won the Nobel Prize for Economics last year, as saying in an address he delivered this week at the Judea and Samaria College in the West Bank that Israel may not be capable of continuing to exist in the long term. Aumann said that Olmert's statement that Israel is tired of wars and sacrifices was a sign of national fatigue that manifested itself in the recent war in Lebanon and could turn fatal for Israel.

Georgia's Ambassador to Israel was quoted as saying in an interview with Maariv that Russia treats his country like the Nazis.

# 1. Mideast:

### Summary:

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Diplomatic correspondent Aluf Benn wrote on page one of the independent, left-leaning Ha'aretz: "Olmert's positions change due to political contingency."

Uri Savir, President of the Peres Center for Peace, wrote in the popular, pluralist Maariv: "The [Israeli] government's pragmatic-bureaucratic approach needs to be replaced with the ideological approach of a leader."

Isi Leibler, a veteran conservative international Jewish leader who chairs the Diaspora-Israel relations committee of the Jerusalem Center for Public Affairs, wrote in the conservative, independent Jerusalem Post: "Lacking the confidence of the nation [Israel's leaders] are incapable of resisting unreasonable demands from our American friends because, as lame ducks, they desperately need to cling to the coattails of the American administration." Block Quotes:

#### ¶I. "Advanced Spin"

Diplomatic correspondent Aluf Benn wrote on page one of the independent, left-leaning Ha'aretz (10/17): "Comparing Olmert's speech at the opening of the Knesset's term] Monday to the one that introduced his government in the Knesset, on May 4, reveals highly significant differences. Then his top priority was setting the border between Israel and the Palestinians, with or without an agreement. Now the Prime Minister has far more pressing matters to attend to: changing the system of government, introducing a constitution and rendering the political system more stable. All these matters are not even hinted at in the guidelines of the Olmert government, nor were they included in his inaugural speech in May... All of Olmert's innovations and surprises share a common motive: his desire to survive and expand the coalition, to guarantee the budget passes and to inoculate himself against rebellions and ambushes by the Labor Party. The lesson of Monday's speech is that Olmert's positions change due to political contingency. His extollers will call him pragmatic, while rivals will say this is Ehud in flip-flop."

#### II. "Pragmatism is Dangerous"

Uri Savir, President of the Peres Center for Peace, wrote in the popular, pluralist Maariv (10/17): "It seems that we currently have a government and a prime minister whose comportment conforms to a pragmatic world view and a 'balanced' approach to administering state affairs. Prima facie, that sounds reasonable but, actually, many dangers lurk therein. Israel cannot afford to adopt so bureaucratic an approach, which will lead it to viewing every issue as it were a coin that has two sides to it and, by so doing, to doom itself to a state of diplomatic deadlock..... The government's

pragmatic-bureaucratic approach needs to be replaced with the ideological approach of a leader. We need to clarify what our fundamental values and goals are, and those will serve as a compass to direct the government's course of action in the following critical areas: The Palestinian issue: We need to terminate, above all, the occupation. It is immoral, it exacerbates hatred and radicalism. Hence, we need to take action to find shortcuts in the Roadmap and to reach final status arrangement negotiations with Abu Mazen. The Syrian issue: Peace is the paramount value, and only its achievement will ensure for us our security. Therefore, we need to take courageous action that is in keeping with conditions that will make Syria free itself from terrorism and to make progress towards political negotiations that include the possibility of a withdrawal from the Golan Heights.... The moral and ethical consideration proves ultimately to be the correct and expedient consideration."

#### III. "We Need the Guts to Say No to Rice"

Isi Leibler, a veteran conservative international Jewish leader who chairs the Diaspora-Israel relations committee of the Jerusalem Center for Public Affairs, wrote in the conservative, independent Jerusalem Post (10/17): "US Secretary of State Condoleezza Rice is now actually urging Abbas to form a unity government with Hamas. The only obstacle is that Hamas insists on retaining its weapons and adamantly refuses -- even insincerely -- to express an incantation implying that it could ever accept the existence of the 'Zionist Rice had previously coerced Sharon and his defense entity.' minister Shaul Mofaz into handing over control of the Philadelphi route between Sinai and Gaza to the Egyptians. Not surprisingly, the Egyptians reneged on their undertakings and a massive flow of armaments and terrorists have been pouring into Gaza along that route. Yet today the Americans are pressing Israel to ease security requirements at all checkpoints for 'humanitarian reasons,' in order to bolster Abbas. Rice had previously insisted that Israel endorse the transfer of weapons to Palestinian security forces to strengthen the PA. Although reluctant, Olmert agreed to do so in May on the grounds that 'we need to help Abu Mazen'.... Nobody, including our own government, seemed concerned that since Oslo weapons provided to Palestinian security personnel had been used to murder Israelis. Nor has the government drawn attention to the fact that Abbas is still trying desperately to persuade Hamas killers to merge with the PA security, which already incorporates Fatah murderers.... We are currently being led by people who seem to have forsaken any vestige of common sense. Lacking the confidence of the nation they are incapable of resisting unreasonable demands from our American friends because, as lame ducks, they desperately need to cling to the coattails of the American administration."

# <u>¶</u>2. Iraq:

## Summary:

The Director of the Interdisciplinary Center's Global Research in International Affairs Center, columnist Barry Rubin, wrote in the conservative, independent Jerusalem Post: "[President Bush's Iraq policy] may be a noble stance, but it is a mistaken one, a self-sacrificing choice that will end up costing Bush's reputation, maybe his party, and probably the popularity of his ideas."

#### Block Quotes:

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"Bush -- Noble, But Mistaken"

The Director of the Interdisciplinary Center's Global Research in International Affairs Center, columnist Barry Rubin, wrote in the conservative, independent Jerusalem Post (10/17): "Bush is doing what he thinks is the right thing: not 'cutting and running' nor seeking partisan advantage, but instead 'staying the course,' 'maintaining US credibility,' and not 'abandoning' the Iraqi people. This may be a noble stance, but it is a mistaken one, a self-sacrificing choice that will end up costing Bush's reputation, maybe his party, and probably the popularity of his ideas. It is impossible for the US and its allies to win the war in Iraq. It is also impossible for them to lose.... There is only one way for this

war to end and for Iraq to achieve relative stability, and that is for the Shi'ites and Kurdish majority to win. But they will never be compelled to do so as long as the coalition forces fight the battles for them.... Forcing Shi'ites to sink or swim will show that they are Olympic contenders when it comes to fighting such a civil war. The second problem, regrettably, is the method needed to achieve victory. The Shi'ites will fight Middle East-style, not obeying the niceties of American law, codes of conduct, or rules of engagement.... What Bush should have done -- and it isn't too late, though he seems determined to compound his errors -- is to set a timetable for withdrawal, without a detailed public commitment but with a clear message to Iraq's government that it must take responsibility for its own defense. By failing to do so, he has doomed his administration and his own reputation."

CRETZ